#### UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency Washington, DC 20250 **Notice LP-1756** 

For: State and County Offices

### Clarifying Self-Certification Under the Debt Collection Improvement Act of 1996 (DCIA)

**Approved by:** Deputy Administrator, Farm Programs

No motion

#### 1 Overview

## A Background

DCIA provides among other things, that a person owing a delinquent non-tax debt to the Federal Government is ineligible for Federal financial assistance including direct loans, (other than disaster loans) loan insurance, or guarantee.

Notice LP-1730 provided guidance for barring Federal debtors from obtaining commodity loans and LDP's.

### B Purpose

This notice informs State and County Offices that:

- producers with any delinquent Federal non-tax debt are ineligible for marketing assistance loans and LDP's
- a producer may be a individual, entity, or a member of an entity
- all forms involved in marketing assistance loans and LDP requests must include a certification statement according to subparagraph 2 B.

Disposal Date	Distribution
May 1, 2001	State Offices; State Offices relay to County Offices and FAX to CMA's and LSA's

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#### 2 Action

# A County Office Action

County Offices shall **not** approve marketing assistance loans or LDP's for producers who:

- cannot self-certify
- are in claim status within ACS
- are known to have other delinquent non-tax Federal debts.

For marketing assistance loan and LDP requests, as part of the eligibility determinations, producers must self-certify that they are **not** delinquent on any non-tax Federal debts.

Producers who filed applications before Notice LP-1747, dated July 25, 2000, must self-certify before marketing assistance loan or LDP disbursement.

For an individual producer who **cannot** self certify, hold the application until the final loan availability date. If the debt:

- has been satisfied, approve the application and use the rate in effect on the day the original application was made
- has not been satisfied, disapprove the application.

For any member of an entity, where an individual member is delinquent on a non-tax Federal debt:

- inform the entity that they cannot receive the entire loan or LDP amount, based on the delinquent debt owned by a member of the entity
- offset the delinquent member's pro rata share of the loan against the delinquent non-tax Federal debt
- proceed with the normal disbursement procedures according to 8-LP.

## B Certification Statement

County Offices shall modify CCC-666 LDP, CCC-709, SU-2, CCC-633 (Honey), and CCC-666 to include the following statement until new forms are available:

"I certify, that I am not delinquent on **any** Federal non-tax debts".

Producers must initial this statement before funds are disbursed.

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